

**MINUTES OF REGULAR MEETING OF
THE REDEVELOPMENT COMMISSION OF GREENSBORO**

JUNE 17, 2003

REGULAR MEETING

The Redevelopment Commission of Greensboro met in regular meeting in the Plaza Level Conference Room, Melvin Municipal Building, Greensboro, North Carolina, on Tuesday, June 17, 2003 at 5:12 p.m. Present were: Chairman Bill Benjamin, Joe Wood, and Scott Lilly. Dan Curry, Caroline Wells, Dyan Arkin and Cyndi Blue represented the Housing and Community Development Department (HCD).

Chairman Benjamin called the meeting to order, introduced himself, and welcomed everyone to the meeting. He asked that anyone who wished to speak to come up to the microphone, identify themselves, and give their address.

APPROVAL OF MINUTES OF REGULAR MEETING OF MAY 20, 2003

Mr. Wood moved approval of the May 20, 2003 minutes as written, seconded by Mr. Lilly. The Commission voted 3-0 in favor of the motion. (Ayes: Benjamin, Wood, Lilly. Nays: None.)

GORRELL STREET NEIGHBORHOOD

A. BENNETT COLLEGE UPDATE

Ms. Wells said Andreanna Coleman was here to speak to the Bennett College matter.

Andreanna Coleman, Bennett College, 900 East Washington Street, apologized for the time it had taken to get back to the Commission. She said they had been trying every opportunity they could get to finance a plan that they had with the Guilford County Schools. Initially when Dr. Grier and Dr. Marsh came before the Commission, they were looking at moving some modular units from Canterbury School to the site on Gorrell Street. They then looked into moving the modular units from Canterbury to the lot on Gorrell Street and that will take place this summer. They are expecting an enrollment of a minimum of 100 students in the fall. These units will house both administrative offices and computer lab. They are still planning to build the new Children's House.

Chair Benjamin said it was his understanding that she was suggesting that this summer, like as in now, that that may be long-range plan, but the short-range plan, there is a need to lease the property and with going ahead, they have some mechanism to put the trailers

over there and so the program would be started.

Counsel Blackwood arrived at 5:16 p.m. and participated in the balance of the meeting.

Mr. Wood said as you stand in Gorrell Street, facing the Children's Center, the property to the left and that big piece of vacant land has been sitting there unused for 40 years. In a polite way, this kind of frosts all of the Commissioners. That is why the Commission had said it wanted someone from Bennett College and the School System here today.

Ms. Coleman thanked Mr. Wood for that history and said she never realized where it came from. She had seen no documentation of such and knew that there streets that ran through there at one point in time. She said when they did their Master Plan in 1995, she thought Dr. Scott brought that plan here several times. That location was scheduled to be the new Academic Building, the Fine Arts Center, and a new Academic Computer Center/Administration Building. Dr. Scott had launched a capital campaign to raise the money to build the buildings. Prior to Dr. Scott's departure, the capital campaign kind of fell apart. They did not get the money to do it, but the plans had already been developed for the use of that land. The Children's House would be relocated across the street as a part of that plan.

Mr. Wood said it was his thinking now that with no capital campaign in place to do the Administration and Fine Arts, then that particular property should be the one that is used for the joint partnership with the School System for the Middle College or early college at Bennett. But he had some real problems when he found out that that land had been sitting vacant for 40 years and then he had a problem with another piece of vacant land when it could be used, because that is the gateway into the Gorrell Street neighborhood. There could be some high quality housing put there for residents; the residents originally wanted housing; the Commission pulled that land out of the inventory and have held it in trust now for at least 6 years for Bennett.

Chair Benjamin said unfortunately he had as a conflict of interest in this matter since his law firm represents the College. Therefore, he had to be very careful about what he might add.

Ms. Coleman said with the larger tract across the street, and she did understand the Commission's concerns, the College is really land-locked at this point. They have no other space to expand that campus other than that piece of land that is there. The Revitalize Bennett College Campaign is now underway, that land will probably be used within the next 2 to 3 years.

Mr. Wood said the Commission would not take that property back, but the College had had that piece of property for 40 years and why cannot all the shuffling be done on that property and let the Commission have the other one back so houses could be built on it.

Ms. Coleman said they have no other options on a location for those trailers. That is the

only place they could put them.

Mr. Lilly asked if there was any timing on that original 40-year reserve in terms of use? He asked if we had any kind of records on that?

Counsel Blackwood said if he had the tax I.D., he probably could pull the deed.

Mr. Wood said he did not want to take that property back. But he was saying if the Commission gave it to them for some purpose 40 years ago and it is still sitting vacant, he wanted to know why.

Mr. Lilly asked if the Commission was able to vote on this tonight. Mr. Wood responded that yes, they were, even with Chair Benjamin abstaining. He said Mr. Lilly and he made a 2-0 majority of those who are here.

Ms. Coleman asked if the decision tonight would be immediate, or if the College by Friday could have \$32,000 to purchase the lot, would that make a difference?

Counsel Blackwood said no, it could not be sold within that period of time. He said the Commission could start advertising.

Mr. Wood asked had they not structured it before so that, in effect, it can only be used for educational purposes or something like that?

Counsel Blackwood said yes, they could; and yes, you can also request appraisals based on limited or restricted use that would also affect the marketability and, therefore, the value and sales price of it. In that type of procedure, you do not go through an upset bid.

Mr. Lilly asked if that would defeat the purpose of what the Commission was trying to do?

Counsel Blackwood in advertising to consider the fact that you are proposing to negotiate and enter into a contract, that is the one where you give public notice of at least 10 days and allow upsets, but you are proposing to consider entering into a contract.

Mr. Wood said he would make a motion, and then it could be couched in the proper language. He moved that the Redevelopment Commission rescind agreement between itself and Bennett College on the property known as 609 Gorrell Street, which the Commission has, in effect, held in trust for them for 6 years, and that the Redevelopment Commission not take this back, but now consider this property as part of its regular and normal inventory. He asked if his motion were properly worded.

Mr. Wood said he would change his motion to this and would withdraw his previous motion.

Mr. Wood moved that the Commission rescind the actions of the Commission on December 17, 2002, and rescind any prior agreements between the Redevelopment

Commission and Bennett College on the property known as 609 Gorrell Street.

Counsel Blackwood suggested that a friendly amendment be added that notice of any such rescission be directed to Bennett College. He said that in his opinion, the outcome is that the property is not, as such, required to be set aside just for that use. If you read the motion anyway, it was intended further that nothing transpired in terms of a lease agreement or anything anyway by including in there the fact that the notice would be sent out. He thought that if there are any parties that are wanting to move forward with it, they would have an opportunity to come back before the Commission.

Ms. Coleman asked what would be the opportunity for the College to come back and look at that property? While the Children's Center not only serves Bennett College, it also serves the neighborhood residents. It serves really Greensboro. She thought that that facility was going to be an added value to the neighborhood. She said she just wanted to be able to tell her president that they do have an opportunity or they do not have an opportunity to come back.

Counsel Blackwood said that would be correct.

Mr. Wood and Mr. Lilly left the meeting briefly.

Mr. Wood and Mr. Lilly returned to the meeting.

Mr. Wood suggested that the Commission go on to the Gate City CDC update.

B. GATE CITY CDC UPDATE

Ms. Wells said that Barbara Harris of Gate City CDC could not attend tonight's meeting and she could not find anybody to represent her.

At its December meeting, the Commission had asked for an update at this meeting, a 6-months update. At that time, it was understood that all the houses would be completed by April and would be either mostly sold or all sold by now. She said she did not know if the Commissioners actually saw these properties on their tour, but right now only 2 houses out of 6 are up, only 1 has sold.

Mr. Wood asked for the addresses of the 4 pieces of property that had had nothing done to them yet.

Ms. Wells said there was a contract and a deed to Gate City, but there was a completion date there. She said the four lots on which nothing had been completed were 525 Martin, 510 Gorrell, 602 Watson, and 508 Gorrell.

Mr. Wood said they had had every opportunity to be here. They were given notice. He said

they also knew that this was under contract. We gave them one extension and then at least a second extension, and then last year was even a third extension. They are in breach of contract.

Mr. Wood moved that the Commission ask its attorney to use whatever means are necessary to take those four lots that he was going to say are 525 Martin Street, 602 Watson Street, 508 Gorrell and 510 Gorrell Street, and staff was to make sure those are the correct addresses, and instruct the Commission's attorney to declare that Gate City CDC is in breach of contract with the Greensboro Redevelopment Commission and that these four lots return to the auspices of the Greensboro Redevelopment Commission, seconded by Mr. Lilly.

Chair Benjamin said before a vote was taken, he would like to think this through very slowly. If the Commission sends them a notice of default, he was assuming they would have some ability to cure; is that correct?

Counsel Blackwood said, without looking at it, he was certain that they actually do from the time they get notice have a 30-day period to cure the breach.

Counsel Blackwood said he hated to interrupt, but he was now looking more closely at what he was seeing there, and this property he believed was conveyed to the City. The contract and any breach of it are between the City and Gate City Community Development Corporation. The Commission does not have a deed of trust.

Chair Benjamin asked would it be proper for the Commission to make of the City to take action on this violation?

Counsel Blackwood said that was correct.

Mr. Wood said he withdrew his first motion.

Mr. Wood said he would make the following motion: He moved that the Redevelopment Commission instruct its attorney to contact the City of Greensboro and Gate City CDC as to the possibility that there is a breach of contract regarding the four properties aforementioned, 525 Martin, 510 Gorrell, 508 Gorrell, and 602 Watson, and to report back to the Commission as to the status of this particular project.

Chair Benjamin said he would offer a friendly amendment: the choices that we have towards seeing what else the Commission can do with the property.

Mr. Wood accepted the friendly amendment, and Mr. Lilly seconded the motion as amended. The Commission voted 3-0 in favor of the motion as amended. (Ayes: Benjamin, Wood, Lilly. Nays: None.)

WILLOW OAKS NEIGHBORHOOD

A. 714-720 GILLESPIE STREET

Ms. Wells said that this is the property owned by Avis Hall; it has been on the Commission's agenda twice before. The information given the Commission in its packet is wrong; this is two properties and not three. The Commission has approved \$39,000 for the properties. A counteroffer appraisal was submitted and the Commission rejected it because it was incomplete; it was actually lacking one of the approaches. Staff has contacted the property owner and the appraiser to inform them of the appraisal. She knew that they had talked to the appraiser as well. However, Ms. Hall has chosen to submit a letter to the Commission requesting \$47,500. The appraisal was for \$50,200 and was the counteroffer; the counteroffer was rejected. Ms. Hall submitted a counteroffer by letter and they understand that they do not have a counteroffer appraisal supporting that value, but Mr. Hall would like to speak to the Commission.

Charles Hall, 410 East McCulloch, stated that the subject property belongs to his mother. The appraiser, Mr. Messick, could not be here today but would be willing to either meet in public at the next meeting or in private to discuss it, if the Commission does not accept the offer that his mother has resubmitted.

Chair Benjamin asked Mr. Hall if he was asking the Commission if this matter could be postponed to next month to look at it?

Mr. Hall said yes, or accept his mother's counteroffer of \$47,500, or let Mr. Messick explain the \$50,200.

Chair Benjamin said in terms of where the Commission was, because he did not remember all the details, the Commission had a review appraisal done by somebody who came in who is trained to do this, who pointed something out, which is what probably the Commission listened to basically. And so what the Commission would be having would be Mr. Messick would be appearing before the Commission to argue? Chair Benjamin said he was not sure that he felt totally comfortable if what he is trying to do is contradict what that other review appraiser said about the technique of the appraisal. He said he was not sure he would not want to have that other person somehow involved in the discussion.

Ms. Wells said staff mentioned to Mr. Hall yesterday that ideally what staff likes to do is get Mr. Herbert, who did the review, communicating with Mr. Messick.

In response to a question from Mr. Wood, Ms. Arkin said condemnation had already been instituted.

Chair Benjamin said his belief was, based on that, he had no problem with tabling this matter, since it will not upset the actual process of getting the property, so that someone will have the opportunity to be heard and offer all the information. He thought it was in order

to table the matter until next month's meeting and let them have the time. He would ask that the original of the letter be kept for the file.

Chair Benjamin moved that the discussion pertaining to 714-720 Gillespie Street in the Willow Oaks Neighborhood be tabled until next meeting of the Redevelopment Commission, seconded by Mr. Lilly. The Commission voted 3-0 in favor of the motion. (Ayes: Benjamin, Wood, Lilly. Nays: None.)

B. 728 GILLESPIE STREET

Ms. Arkin, HOPE VI Coordinator, said that this is the property that staff had brought before the Commission a couple of times, but the value of the property was identified as \$70,000 and they brought the property to request that offer. Her understanding of all the discussion at the last Commission meeting was that the Commission very much wanted to see something different happen rather than the Commission acquire that piece of property. Based on that, a sketch was done that conceivably could work that area, not requiring the Commission to purchase 728 Gillespie Street. Staff does not know if this sketch could be engineered to actually work, given the constraints of the area, but that process is beginning and they can see. In the meantime, she spoke to Mr. and Mrs. Siler who have who have, during this period, moved back into the house in order to keep it up and in order to keep it a valuable property. She had discussed possibilities with them as to whether they would be interested in staying in the house and finding a way to rehab it and working with us to make it fit better into the greater concept of the community. They expressed an interest in that; it was an initial conversation. Staff has not done a lot of processing of what could happen or what the time frame for it would be, but staff is looking at some other possibilities that what she understood to be the Commission's not verbal request, but interest in some other possibilities.

ADDITIONAL BUSINESS

A. 703 DORGAN AVENUE

Ms. Wells said this was a property that was requested for condemnation.

Chair Benjamin asked if there were appraisals on this property? In other words, for that piece of property, Ms. Arkin would be presenting something that the Commission had looked at before?

Ms. Arkin, HOPE VI Coordinator, stated staff and the Commission had looked at this property before. The Commission gave staff the authority to make an offer on this piece of property. There are some title problems with it and our attorney is having difficulty finding heirs. The only way to actually get title on the property is to put it into condemnation. Staff would like authority to start the condemnation process on this piece of property.

Mr. Wood asked if to begin the condemnation process, did the Commission not have to make an offer at some appraised value to start the condemnation?

Ms. Arkin said staff did have an appraised value and they do have authority to make an offer. What staff does not have is anyone to make the offer to.

Ms. Arkin said that in essence condemnation would get the Commission title to the property without jeopardizing any future heirs' right to come and claim compensation for it.

Ms. Arkin said that 703 Dorgan Avenue has an appraised value of \$9,000.

Mr. Wood moved that the Commission authorize its attorney to initiate condemnation proceedings against 703 Dorgan Avenue and that the appraised value of the property, \$9,000, be set aside and that all procedures be followed that need to be followed, seconded by Mr. Lilly. The Commission voted 3-0 in favor of the Commission. (Ayes: Benjamin, Wood, Lilly. Nays: None.)

B. OLE ASHEBORO

Ms. Wells said that next week, a week from today, UDA will be able to be back in town. This will be the final public meeting for Ole Asheboro's Redevelopment Plan. They are still not sure that this plan is a complete product, but she would really like the Commission to come in not only to meet UDA, but also to meet the Planning Advisory Committee, which is really the committee that has been on top of this process all along. This will be held next Tuesday, a week from today, which is June 24, 2003, at 5:00 p.m. She said the meeting would be at the old Project Homestead office. The public meeting will be at 7:00 p.m.

C. SOUTH ELM STREET

Ms. Wells said that staff is pursuing another grant, a HUD grant, which will be much more money to possibly redevelop that area. While it is not a redevelopment area now, it very well could be in the future.

Chair Benjamin asked if it would have to be, as a practical matter, dealing with the things they are going to do?

Ms. Wells said it did not have to be, and it may not. There may be many reasons not to make it a redevelopment area.

Chair Benjamin said he would like to have some kind of announcement in the notices that go out to the Commissioners to say, "Here is how the public gets into this building." It does not seem right that they would be locked out and all it takes is somebody that is not strong-willed like him to say "I have a reason to be there." He said his problem would be for someone who comes in one of the other entrances, other than the one you are speaking

to, becomes lost. And it just seems to be unfair or you run the risk of keeping somebody from being here.

Ms. Wells said that she could put a public access notice on the bottom of the agenda.

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There being no further business before the Commission, the meeting was adjourned at 6:30 p.m.

Respectfully submitted,

Caroline Wells, Assistant Secretary
Greensboro Redevelopment Commission

CW/jd.ps